

RELEASE BY THE COMMONWEALTH OF VIRGINIA

For purposes of this release, PURDUE shall be defined in the same manner as in the Non-Prosecution Agreement between the United States and PURDUE entered in 2007 and filed as an attachment to the Plea Agreement of The Purdue Frederick Company, Inc.

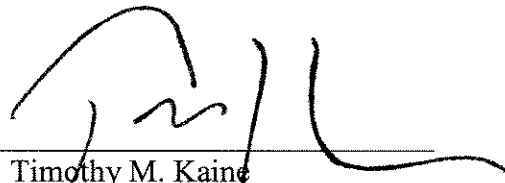
The Virginia Medicaid Fraud Control Unit with the Virginia Attorney General's Office actively participated in a prolonged investigation of PURDUE by the United States Attorney's Office for the Western District of Virginia and the United States Department of Justice Office of Consumer Litigation. The investigation has resulted in a negotiated resolution that includes plea agreements between the United States and the Purdue Frederick Company, Inc., and certain individuals. By the terms of those plea agreements, the Program Income Fund of the Virginia Medicaid Fraud Control Unit will receive \$39,800,000.00 and a \$20,000,000.00 trust will be established to fund the Virginia Prescription Monitoring Program.

In accordance with the Constitution of Virginia and pursuant to the authority conferred upon the Governor of Virginia and the Attorney General of Virginia by the Code of Virginia, the Governor of Virginia and the Attorney General of Virginia hereby agree that so long as (1) PURDUE complies with all of its obligations as set forth in the Non-Prosecution Agreement and the documents referenced therein and (2) Michael Friedman, Howard R. Udell, and Paul D. Goldenheim comply with all of their obligations in their plea agreements prior to the imposition of judgment, there will be no further civil or criminal action by the Governor or by the Attorney General's Office, including the Virginia Medicaid Fraud Control Unit, on behalf of the Commonwealth of Virginia against PURDUE, its current and former directors, officers, employees, co-promoters, owners (including trustees and trust beneficiaries of such owners), successors and assigns; any of PURDUE'S related and associated entities (as listed on Attachment A to the Plea Agreement of The Purdue Frederick Company, Inc.), and such related and associated entities' current and former directors, officers, employees, owners (including trustees and trust beneficiaries of such owners), successors and assigns, and trusts for the benefit of the families of the current and former directors of PURDUE, including the trustees and trust beneficiaries of such trusts, for any violations of law, occurring on or before the date the guilty pleas are entered, pertaining to OxyContin that was the subject matter of the investigation by the United States Attorney's Office for the Western District of Virginia and the United States Department of Justice Office of Consumer Litigation that led to this agreement.

This release shall not limit the Commonwealth's ability to settle pending matters related to Virginia's consumer protection laws or to otherwise participate in the multi-state portion of any amounts obtained as a result of these Plea Agreements. The Commonwealth agrees and understands that any of the money paid pursuant to these Plea Agreements will be returned if, and only if, the Court refuses to accept the Plea Agreements with the agreed-upon sentences and, as a result, the defendants withdraw their guilty pleas. If this occurs, the Commonwealth understands that it is free to assert any and all claims against the defendants.

This Release shall be made an attachment to the plea agreements referenced herein.

Executed this 7th of May, 2007.

A handwritten signature in black ink, appearing to read 'Tim Kaine', written over a horizontal line.

Timothy M. Kaine
Governor of Virginia

A handwritten signature in black ink, appearing to read 'Bob McDonnell', written over a horizontal line.

Robert F. McDonnell
Attorney General of Virginia